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DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-898]

Chlorinated Isocyanurates from the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2011-2012

AGENCY: Enforcement and Compliance, formerly Import Administration, International Trade Administration, Department of Commerce.

SUMMARY: On July 10, 2013, the Department of Commerce (the Department) published its *Preliminary Results* of the 2011-2012 administrative review of the antidumping duty order on chlorinated isocyanurates (chloro isos) from the People's Republic of China (PRC).¹ The period of review (POR) is June 1, 2011, through May 31, 2012. This review covers six producers/exporters of subject merchandise: (1) Arch Chemicals (China) Co. Ltd. (Arch China); (2) Hebei Jiheng Chemical Co., Ltd. and Hebei Jiheng Baikang Chemical Industry Co., Ltd. (collectively, Jiheng); (3) Heze Huayi Chemical Co. Ltd. (Heze); (4) Juancheng Kantgai Chemical Co., Ltd. (collectively, Kangtai); (5) Sinocarbon International Trading Co., Ltd. (Sinocarbon); and (6) Zhucheng Taisheng Chemical Co., Ltd. (Zhucheng). Jiheng and Kangtai are the mandatory respondents. We invited parties to comment on our *Preliminary Results*. Based on our analysis of the comments received, we made certain changes to our margin calculations for Jiheng and Kangtai. The final dumping margins for this review are listed in the "Final Results" section below.

DATES: EFFECTIVE DATE: (INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*).

¹ See Chlorinated Isocyanurates From the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review; 2011-2012, 78 FR 41364 (July 10, 2013) (*Preliminary Results*).

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Background

On July 10, 2013, the Department published its *Preliminary Results*. On August 9, 2013, Jiheng and Kangtai each submitted a hearing request to address issues raised in their case and rebuttal case briefs. On August 15, 2013, the Department extended the deadline for the final results in this administrative review until January 6, 2014.² The Department conducted a verification of Kangtai between September 23 and September 27, 2013.³ On November 29, 2013, Clearon Corporation and Occidental Chemical Corporation (collectively, Petitioners), Jiheng, and Kangtai each submitted a case brief.⁴ On December 4 and 5, 2013, Jiheng, Petitioners, and Kangtai each submitted a rebuttal case brief.⁵ On January 7, 2014, we held a public hearing to address issues raised in the case and rebuttal briefs.⁶

As explained in the memorandum from the Assistant Secretary for Enforcement and Compliance, the Department has exercised its discretion to toll deadlines for the duration of the

² See Memorandum to Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, “Chlorinated Isocyanurates from the People’s Republic of China: Extension of Deadline for Final Results of Antidumping Duty Administrative Review,” (August 15, 2013).

³ See Memorandum to the File, “Verification of the Sales and Factors Response of Juancheng Kangtai Chemical Co., Ltd. in the Antidumping Review of Chlorinated Isocyanurates from the People’s Republic of China,” (November 29, 2013).

⁴ See “Case Brief of Clearon Corp. and Occidental Chemical Corporation,” (November 29, 2013); “Chlorinated Isocyanurates from China (Seventh Administrative Review) – Hebei Jiheng Chemical Co., Ltd. Case Brief,” (November 29, 2013) and; “Chlorinated Isocyanurates from the People’s Republic of China Kangtai Case Brief,” (November 29, 2013).

⁵ See “Chlorinated Isocyanurates from China (Seventh Administrative Review) – Hebei Jiheng Chemical Co., Ltd. Rebuttal Brief,” (December 4, 2013); “Rebuttal Brief of Clearon Corp. And Occidental Chemical Corporation,” (December 5, 2013); and “Chlorinated Isocyanurates from the People’s Republic of China Kangtai Rebuttal Brief,” (December 5, 2013).

⁶ See “Public Hearing in the Matter of: Administrative Review under the Antidumping Duty Order on Chlorinated Isocyanurates from the People’s Republic of China,” (January 7, 2014).

closure of the Federal Government from October 1, 2013, through October 16, 2013.⁷ Therefore, all deadlines in this segment of the proceeding were extended by 16 days. Therefore, the revised deadline for the final results of this review is January 22, 2014.

Scope of the Order

The products covered by the order are chlorinated isos, which are derivatives of cyanuric acid, described as chlorinated s-triazine triones. Chlorinated isos are currently classifiable under subheadings 2933.69.6015, 2933.69.6021, 2933.69.6050, 3808.40.50, 3808.50.40 and 3808.94.5000 of the Harmonized Tariff Schedule of the United States.⁸

Final Determination of No Shipments

For these final results of review, we continue to find that Heze had no shipments during the POR.⁹

Analysis of Comments Received

All issues raised in the case and rebuttal briefs filed by parties in this review are addressed in the Issues and Decision Memorandum, which is hereby adopted by this notice. A list of the issues that parties raised and to which we responded in the Issues and Decision Memorandum follows as an appendix to this notice. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (IA ACCESS). IA ACCESS is available to registered users at <http://iaaccess.trade.gov> and in the Central Records Unit, room

⁷ See Memorandum for the Record from Paul Piquado, Assistant Secretary for Enforcement and Compliance, "Deadlines Affected by the Shutdown of the Federal Government," (October 18, 2013).

⁸ See Memorandum to Christian Marsh, Acting Secretary for Enforcement and Compliance, "Chlorinated Isocyanurates from the People's Republic of China: Issues and Decision Memorandum for the Final Results of the 2011-2012 Antidumping Duty Administrative Review," issued concurrently with this notice (Issues and Decision Memorandum) for a complete description of the scope of the Order.

⁹ See *Preliminary Results*, 78 FR at 41364.

7046 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly on the Internet at <http://enforcement.trade.gov/frn/>. The paper copy and electronic version of the Issues and Decision Memorandum are identical in content.

Changes Since the Preliminary Results

Based on a review of the record and comments received from interested parties regarding our *Preliminary Results*, we have made revisions to the margin calculations for Jiheng and Kangtai.¹⁰

Separate Rates

In our *Preliminary Results*, we determined that Arch China, Sinoacarbon, and Zhucheng each demonstrated their eligibility for separate rates status.¹¹ We have not received any information since the issuance of the *Preliminary Results* that provides a basis for reconsideration of this determination. Therefore, the Department continues to find that Arch China, Sinoacarbon, and Zhucheng are each eligible for separate rate status.

Final Results

We determine that the following weighted-average dumping margins exist for the POR:

Exporter	Weighted-Average Dumping Margin (Percentage)
Arch Chemicals (China) Co. Ltd.*	53.15
Hebei Jiheng Chemical Co., Ltd.	47.17
Juancheng Kangtai Chemical Co., Ltd.	59.12
Sinoacarbon International Trading Co., Ltd.*	53.15
Zhucheng Taisheng Chemical Co., Ltd.*	53.15

* These companies demonstrated eligibility for a separate rate in this administrative review. The rate for these companies is the simple average of the calculated antidumping duty rates for Jiheng and Kangtai.

¹⁰ See Issues and Decision Memorandum.

¹¹ See *Preliminary Results*, 78 FR at 41364.

Assessment Rates

The Department will determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries covered by this review. The Department intends to issue assessment instructions to CBP 15 days after the publication date of these final results of this review. In accordance with 19 CFR 351.212(b)(1), we are calculating importer- (or customer-) specific assessment rates for the merchandise subject to this review. For any individually examined respondent whose weighted-average dumping margin is above *de minimis* (*i.e.*, 0.50 percent), the Department will calculate importer-specific assessment rates on the basis of the ratio of the total amount of dumping calculated for the importer's examined sales and the total entered value of sales.¹² We will instruct CBP to assess antidumping duties on all appropriate entries covered by this review when the importer-specific assessment rate is above *de minimis*. Where either the respondent's weighted-average dumping margin is zero or *de minimis*, or an importer-specific assessment rate is zero or *de minimis*, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

The Department announced a refinement to its assessment practice in non-market economy (NME) cases. Pursuant to this refinement in practice, for entries that were not reported in the U.S. sales databases submitted by companies individually examined during this review, the Department will instruct CBP to liquidate such entries at the NME-wide rate. In addition, if the Department determines that an exporter under review had no shipments of the subject merchandise, any suspended entries that entered under that exporter's case number (*i.e.*, at that

¹² See *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings: Final Modification*, 77 FR 8101 (February 14, 2012).

exporter's rate) will be liquidated at the NME-wide rate. For a full discussion of this practice, *see Assessment in NME Antidumping Proceedings*.¹³

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this administrative review for shipments of the subject merchandise from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(2)(C) of the Tariff Act of 1930, as amended (the Act): (1) For Heze, which claimed no shipments, the cash deposit rate will remain unchanged from the rate assigned to Heze in the most recently completed review of the company; (2) for Jiheng and Kangtai, the cash deposit rate be 47.17 percent and 53.15 percent, respectively; (3) for previously investigated or reviewed PRC and non-PRC exporters that received a separate rate in a prior segment of this proceeding, the cash deposit rate will continue to be the existing exporter-specific rate; (4) or all PRC exporters of subject merchandise that have not been found to be entitled a separate rate, the cash deposit rate will be that for the PRC-wide entity established in the final determination of the less than fair value investigation (*i.e.*, 285.63 percent); and (5) for all non-PRC exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the PRC exporter that supplied that non-PRC exporter. These deposit requirements, when imposed, shall remain in effect until further notice.

Disclosure

¹³ See *Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties*, 76 FR 65694 (October 24, 2011) (*Assessment in NME Antidumping Proceedings*).

We will disclose the calculations performed regarding these final results within five days of the date of publication of this notice in this proceeding in accordance with 19 CFR 351.224(b).

Notification to Importers Regarding the Reimbursement of Duties

This notice also serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this POR. Failure to comply with this requirement could result in the Department's presumption that reimbursement of antidumping duties has occurred and that subsequent assessment of doubled antidumping duties.

Administrative Protective Order

This notice also serves as a reminder to parties subject to APO of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305, which continues to govern business proprietary information in this segment of the proceeding. Timely written notification of the return or destruction of APO materials, or conversion to judicial protective order, is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

We are issuing and publishing this administrative review and notice in accordance with sections 751(a)(1) and 777(i) of the Act.

Dated: January 22, 2014.

Paul Piquado,
Assistant Secretary
for Enforcement and Compliance.

Appendix – Issues and Decision Memorandum

Comment 1: Selection of Surrogate Country

Comment 2: Selection of Surrogate Values if the Department Continues to Use the Philippines as the Primary Surrogate Country:

- A. Steam
- B. Water
- C. Ammonium Sulfate
- D. Labor
- E. Electricity
- F. Sulfuric Acid
- G. Chlorine
- H. Ammonium Chloride

Comment 3: Selection of Surrogate Values if the Department Chooses Thailand as the Primary Surrogate Country:

- A. Ammonium Chloride
- B. Chlorine

Comment 4: Whether the Department is Authorized by Law to Apply the Alternative Methodology under Section 777A(d)(1)(B) of the Act to Annual Reviews

- A. Withdrawal of the Regulatory Provisions Governing Targeted Dumping in Less-Than-Fair-Value Investigations
- B. Consideration of an Alternative Comparison Method in an Administrative Review
- C. The Average-to-Transaction Method and the Denial of Offsets for Non-Dumped Sales
- D. Differential Pricing Analysis

Comment 5: Methodological Issues

- A. Value-Added Tax (VAT) Adjustment for Kangtai's and Jiheng's U.S. Sales
- B. By-Product Offsets
- C. Adjusting the Value of By-Product Hydrogen to Eliminate the Cost of Ocean Shipping Containers
- D. Adjusting for the Concentration of Sodium Hydroxide
- E. Valuing Well Water as a Factor of Production

Comment 6: Ministerial Errors

- A. Conversion Errors
- B. Double-Counting of VAT
- C. Calculation of Inter-Company Transportation Costs for Intermediate Chemicals
- D. Calculation of Financial Ratios

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